

City of Detroit

CITY COUNCIL

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TO: Kenneth Cockrel, Jr., President
City Council

FROM: Irvin Corley, Jr., Fiscal Analysis Director

DATE: May 2, 2007

RE: 2007-2008 Budget Analysis

ly.

Attached is our budget analysis regarding your department's budget for the upcoming 2007-2008 Fiscal Year.

Please contact us if you have any questions regarding our budget analysis.

Thank you for your cooperation in this matter.

IC:ss

Attachment

cc: Councilmembers
Council Divisions
Auditor General
Pamela Scales, Budget Director
Alia Moss, Budget Manager
Kandia Milton, Mayor's Office

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City Council (52)

FY 2007-2008 Budget Analysis by the Fiscal Analysis Division

Summary

The City Council is the legislative branch of government and part of the General Fund.

The 2007-2008 budget recommended by the Mayor has appropriations that are \$185,000 lower than the current year, a 1.22% reduction. More importantly the recommended budget in relation to the request that Council submitted was only \$38,000 lower than the request, a .25% difference. The majority of the difference is due to the changes in the pension and benefit factors from the time the budget request was submitted. These factors became more favorable for the budget.

There is no recommended reduction of positions.

The Block Grant recommendation of \$160,000 does not include the City Council's request of \$25,000 for the Community Toolbox NOF project.

2006-2007 Surplus/(Deficit)

The Administration has projected a surplus of \$2,430,131 for City Council's budget as expenses are projected to come in lower than budget.

Significant Funding by Appropriation

Attached are two charts that show the proposed changes in detail.

City Council (52)

| Budgeted Professional and Contractual Services by Activity | FY 2006-07 Budget | FY 2007-08 Recommended | Increase (Decrease) |
|---------------------------------------------------------------|----------------------------|----------------------------|--------------------------|
| City Legislative Functions | \$ 1,539,635 | \$ 1,674,033 | \$ 134,398 |
| Total | <u>\$ 1,539,635</u> | <u>\$ 1,674,033</u> | <u>\$ 134,398</u> |

Personnel and Turnover Savings

The City Council currently has 104 budgeted positions and 91 positions are filled. There are also 90 people on personal service contracts.

| <u>Appropriation/Program</u> | <u>Budgeted Positions FY 2006-07</u> | <u>Filled Positions 03/31/2007</u> | <u>Mayor's Budget Positions FY 2007-08</u> | <u>Over/(Under) Actual to 06/07 Budget</u> | <u>Mayor's Recommended Turnover</u> |
|--------------------------------------|----------------------------------------------|--------------------------------------------|--------------------------------------------------------|----------------------------------------------------|---------------------------------------------|
| City Council (52): | | | | | |
| 520011 Research & Analysis | 23 | 21 | 23 | (2) | \$ - |
| 520016 City Council Administration | 9 | 9 | 9 | 0 | \$ - |
| 520017 Fiscal Analysis | 4 | 4 | 4 | 0 | \$ - |
| 520018 Historic Designation Adv. Bd. | 4 | 3 | 4 | (1) | \$ - |

| <u>Appropriation/Program</u> | <u>Budgeted Positions FY 2006-07</u> | <u>Filled Positions 03/31/2007</u> | <u>Mayor's Budget Positions FY 2007-08</u> | <u>Over/(Under) Actual to 06/07 Budget</u> | <u>Mayor's Recommended Turnover</u> |
|-----------------------------------------|----------------------------------------------|--------------------------------------------|--------------------------------------------------------|----------------------------------------------------|---------------------------------------------|
| City Council (52): | | | | | |
| 520019 City Planning Commission | 15 | 15 | 15 | 0 | \$ - |
| 00269 City Legislative Functions | 55 | 52 | 55 | (3) | \$ - |
| 00922 Council President's Office | 9 | 7 | 9 | (2) | \$ - |
| 00923 Council Member Office 1 | 5 | 6 | 5 | 1 | \$ - |
| 00924 Council Member Office 2 | 5 | 6 | 5 | 1 | \$ - |
| 00925 Council Member Office 3 | 5 | 2 | 5 | (3) | \$ - |
| 00926 Council Member Office 4 | 5 | 4 | 5 | (1) | \$ - |
| 00927 Council Member Office 5 | 5 | 5 | 5 | 0 | \$ - |
| 00928 Council Member Office 6 | 5 | 3 | 5 | (2) | \$ - |
| 00929 Council Member Office 7 | 5 | 1 | 5 | (4) | \$ - |
| 00930 Council Member Office 8 | <u>5</u> | <u>5</u> | <u>5</u> | <u>0</u> | <u>\$ -</u> |
| TOTAL | <u>104</u> | <u>91</u> | <u>104</u> | <u>(13)</u> | <u>\$ -</u> |

Divisions will submit any additional information regarding their specific budget under separate cover.

We look forward to any direction Council gives us on these matters.

Attachments

Table 1
2007-2008 Summary of Appropriations by Account Type

| OBJECT NAME | 2005-2006 ACTUALS | 2006-2007 REDBOOK | 2007-2008 DEPT REQUEST | 2007-08 MAYOR'S RECOMMEND | Variance btwn Req & Rec |
|-------------------------------|------------------------------|------------------------------|-----------------------------------|--------------------------------------|----------------------------------------|
| Salaries-Full Time | 5,551,234 | 6,923,931 | 6,878,019 | 7,014,929 | 136,910 |
| Pension and Benefits | 3,321,654 | 4,895,538 | 4,832,923 | 4,631,837 | (201,086) |
| Contractual Services | 1,772,977 | 1,539,635 | 1,704,954 | 1,674,033 | (30,921) |
| Operating Supplies | 99,163 | 171,387 | 173,542 | 173,542 | 0 |
| Purchased Services | 1,127,477 | 1,345,253 | 1,298,602 | 1,309,668 | 11,066 |
| Travel/Training/Miscellaneous | 73,528 | 9,616 | 12,116 | 12,116 | 0 |
| Equipment | (44,086) | 250,000 | 88,281 | 88,281 | 0 |
| Debt Service | 75,057 | 0 | 0 | 46,190 | 46,190 |
| TOTAL EXPENDITURES | 11,977,004 | 15,135,359 | 14,988,437 | 14,950,596 | |
| | 11,977,004 | 15,135,359 | 14,988,437 | 14,950,596 | (37,841) |

Table 2
2007-2008 City Council Budget - Recommended and Proposed

| | | 2004-2005 RedBook | 2005-2006 RedBook | Variance | 2006-2007 RedBook | Variance from 2006- 2007 to 2005-2006 | Council's Request 2007-2008 | Recommended 2007-2008 (Mayor's) | Amount Needed to Restore Council's Request | Council's Revised Proposed Budget for 2006-2007 | Variance of Proposed Budget to Current Redbook |
|--------|--------------------------------|----------------------|----------------------|----------|----------------------|------------------------------------------------|-----------------------------------|---------------------------------------|--------------------------------------------------------|-------------------------------------------------------------|------------------------------------------------------------|
| 520009 | Appointed Board of Review | 100,000 | 90,000 | -10% | 90,000 | 0% | 135,639 | 135,639 | - | 135,639 | 50.71% |
| 520011 | Research and Analysis Division | 3,158,843 | 2,427,074 | -23% | 3,117,157 | 28% | 3,060,374 | 3,102,833 | (42,459) | 3,060,374 | -1.82% |
| 520016 | Administration | 3,175,306 | 2,222,714 | -30% | 2,279,756 | 3% | 2,223,229 | 2,250,813 | (27,584) | 2,223,229 | -2.48% |
| 520017 | Fiscal Analysis | 729,191 | 624,350 | -14% | 735,588 | 18% | 727,410 | 710,719 | 16,691 | 727,410 | -1.11% |
| 520018 | Historic Designation | 639,989 | 511,991 | -20% | 601,045 | 17% | 576,519 | 562,211 | 14,308 | 576,519 | -4.08% |
| 520019 | City Planning Comm. | 2,036,421 | 1,588,138 | -22% | 1,896,003 | 19% | 1,849,493 | 1,918,842 | (69,349) | 1,849,493 | -2.45% |
| 520020 | City Council President | 1,006,251 | 896,501 | -11% | 934,596 | 4% | 934,589 | 920,539 | 14,050 | 934,589 | 0.00% |
| 520030 | Council Member | 731,813 | 585,450 | -20% | 658,902 | 13% | 658,898 | 645,500 | 13,398 | 658,898 | 0.00% |
| 520040 | Council Member | 731,813 | 585,450 | -20% | 658,902 | 13% | 658,898 | 645,500 | 13,398 | 658,898 | 0.00% |
| 520050 | Council Member | 731,813 | 585,450 | -20% | 658,902 | 13% | 658,898 | 645,500 | 13,398 | 658,898 | 0.00% |
| 520060 | Council Member | 731,813 | 218,754 | -70% | 658,902 | 201% | 658,898 | 645,500 | 13,398 | 658,898 | 0.00% |
| 520070 | Council Member | 731,813 | 585,450 | -20% | 658,902 | 13% | 658,898 | 645,500 | 13,398 | 658,898 | 0.00% |
| 520080 | Council Member | 731,813 | 585,450 | -20% | 658,902 | 13% | 658,898 | 645,500 | 13,398 | 658,898 | 0.00% |
| 520090 | Council Member | 731,813 | 585,450 | -20% | 658,902 | 13% | 658,898 | 645,500 | 13,398 | 658,898 | 0.00% |
| 520100 | Council Member | 731,813 | 585,450 | -20% | 658,902 | 13% | 658,898 | 645,500 | 13,398 | 658,898 | 0.00% |
| 520120 | BG-HDAB | 25,000 | 25,000 | 0% | 25,000 | 0% | 25,000 | 25,000 | - | 25,000 | 0.00% |
| 520105 | HIV AIDS Commiss. | 48,846 | - | | - | | - | - | - | - | |
| 520130 | BG - CPC | - | 205,000 | | 185,000 | | 185,000 | 160,000 | 25,000 | 185,000 | |
| 520115 | Womens' Coord. Comm. | 156,022 | - | | - | | - | - | - | - | |
| | | \$ 16,930,373 | \$ 12,907,672 | -24% | \$ 15,135,361 | 17% | \$ 14,988,437 | \$ 14,950,596 | \$ 37,841 | \$ 14,988,437 | -1% |
| | | | | | | | | | | \$ 14,988,437 | |